

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1954

SPONSOR: Military and Veterans' Affairs, Base Protection, and Spaceports Committee, and Senator Bennett

SUBJECT: Specialty license plates

DATE: April 7, 2003 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Davis	Meyer	TR	Fav/1 amendment
2.	Vickers	Krasovsky	MS	Favorable/CS
3.	_____	_____	ATD	_____
4.	_____	_____	AP	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This CS directs the Department of Highway Safety and Motor Vehicles (DHSMV) to issue a “U.S. Paratroopers” license plate. Former and current U.S. military paratroopers are eligible to purchase the plate. In addition to applicable motor vehicle registration taxes and fees, a \$20 annual use fee will be charged for this new license plate to be deposited into the State Homes for Veterans Trust Fund. The CS also authorizes the creation of a “Valor” license plate. Recipients of a military decoration for valor are eligible to purchase the plate. In addition to applicable motor vehicle registration taxes and fees, a \$20 annual use fee will be charged for this new license plate to support State Homes for Veterans.

The CS substantially amends section 320.089 of the Florida Statutes. The CS creates section 320.0891 of the Florida Statutes.

II. Present Situation:

Section 320.08053, F.S., provides an organization seeking authorization to establish a specialty license plate must submit the following:

- A request for the particular license plate with a description of the proposed plate in general terms.
- The results of a scientific sample survey of Florida motor vehicle owners that indicates at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased costs.

- An application fee, not to exceed \$60,000, to defray DHSMV's cost for reviewing the application and developing the specialty license plate, if authorized.
- A marketing strategy outlining both the short and long term marketing plans and a financial analysis outlining the anticipated revenue and the planned expenditures of the requested specialty license plate.

The required documentation and fees must be submitted at least 90 days before the convening of the next regular session of the Florida Legislature. If a specialty license plate is approved by law, the organization must submit a proposed art design for the specialty plate to DHSMV no later than 60 days after the act becomes a law. If the specialty license plate is not approved by the Legislature, then the application fee will be refunded to the requesting organization.

Section 320.08056, F.S., provides DHSMV is responsible for developing the specialty license plates and must begin production and distribution within one year after approval of the specialty license plate by the Legislature. Specialty license plates must bear the design required by law for the appropriate specialty plate, and the designs and colors must be approved by DHSMV. In addition, the specialty license plate must bear the imprint of numerals from 1 to 999, inclusive, capital letters "A" through "Z", or a combination thereof. The word "Florida" must appear at either the top or the bottom of the plate, depending upon the design and may bear an appropriate slogan.

The Department must discontinue the issuance of an approved specialty plate if less than eight thousands plates (including annual renewals) are issued by the end of the fifth year or during any subsequent 5-year period. The Department is also authorized to discontinue the issuance and distribution of specialty plates if the organization no longer exists or if the organization has stopped providing services authorized to be funded.

Section 320.08056 (4)(d), F.S., creates the "Florida Salutes Veterans" license plate and provides for a \$15 annual use fee. The proceeds from the use fee are deposited into the State Homes for Veterans Trust Fund and used solely for the purpose of constructing, operating, and maintaining domiciliary and nursing homes for veterans and for limited promoting and marketing of the plate. In 2002, there were 30,389 Florida Salutes Veterans license plates sold, generating \$455,835.

Section 320.08056 (4)(cc), F.S., creates the "United States Marine Corp" license plate and provides for a \$15 annual use fee. The first \$50,000 collected annually from the use fee are deposited into the State Homes for Veterans Trust Fund and used solely for the purpose of constructing, operating, and maintaining domiciliary and nursing homes for veterans. Any additional funds collected annually are deposited into the Marine Corps Scholarship Foundation, Inc., and used to fund scholarships and assist Marine Corps Junior ROTC and Young Marine programs in Florida. In 2002, there were 21,207 United States Marine Corp license plates sold, generating \$318,105.

Currently, the Florida Salutes Veterans and U.S. Marine Corps license plates are available to the general public. In addition, there are 8 limited issue specialty license plates available to qualified recipients, including: disabled veterans, Ex-POWs, Medal of Honor recipients, National Guard

members, paralyzed veterans, Pearl Harbor survivors, Purple Heart recipients, and U.S. Reserve members.

III. Effect of Proposed Changes:

The CS creates s. 320.0891, F.S., to direct DHSMV to issue a “U.S. Paratroopers” license plate. Applicants for this license plate must submit proof of decoration as a parachutist or completion of the U.S. Army Jump School. In addition to applicable motor vehicle registration taxes and fees, a \$20 annual fee will be charged for these license plates. The Department is authorized to retain all annual use fee revenues from the sale of this plate until all start-up costs for developing and issuing the plate are recovered, not to exceed \$60,000. Thereafter, all annual use fee revenues will be distributed to the State Homes for Veterans Trust Fund.

The CS amends s. 320.089, F.S., to direct DHSMV to issue a “Valor” license plate. Applicants for this license plate must provide a written military order or other official document as proof of being a recipient of a military decoration for valor. In addition to applicable motor vehicle registration taxes and fees, a \$20 annual fee will be charged for this license plate. The annual use fees will be deposited into the Grants and Donations Trust Fund to be used for operating and maintaining Veteran’s homes. The CS also amends s. 320.089, F.S., to designate certain license plates with restrictive provisions as “limited-issue specialty” license plates.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Persons who elect to apply for the U.S. Paratroopers and Valor license plates would have to pay an annual use fee of \$20.

C. Government Sector Impact:

The Department estimates it will incur \$59,460 in costs associated with the development and issuance of each of these license plates. More specifically, these costs include \$15,000 in personnel costs, \$7,560 in computer programming costs, and \$36,900 in license plate costs. Specialty license plates cost DHSMV \$2.46 each under the current contract. The CS provides for these costs to be recovered from the initial plate sale proceeds in the case of the U.S. Paratrooper plate. However, the CS does not provide for the recovery of DHSMV's costs for the Valor plate.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
